

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

October 3, 2006

Don Randolph Randolph Mining 24337 County Road N Cortex, Colorado 81321-8816

Subject: Reclamation Surety Amount, Randolph Mining, Dusty Mine, M0370063,

San Juan County, Utah

Dear Mr. Randolph:

Thank you for your recent inquiry responding to the Division letter dated June 8, 2006. This letter provided information about the recent rule changes resulting in reclamation surety requirements for small mines and exploration projects within the state of Utah.

In cooperation with the Bureau of Land Management, the Division of Oil, Gas and Mining has determined the reclamation surety amount for the Dusty Mine to be \$4000.00. The surety can be submitted in the form of cash, a certificate of deposit, a letter of credit, or a corporate surety. Please contact the Division's bonding coordinator, Beth Ericksen, at 801-538-5318 for information about submitting the surety.

A mine reclamation contract will be required for completion of the surety process. Beth Ericksen will email the reclamation contract, which will be signed by an authorized person within the company, notarized and returned in its original form to the Division, attention Minerals Regulatory Program.

As a reminder, the deadline to complete this process (approved reclamation surety and reclamation contract) is December 8, 2006.

Before you may begin mining, you must file a plan of operations with the BLM and receive their approval.

Don Randelph Page 2 of 2 M0370063 October 3, 2006

The Division appreciates your attentiveness and responsiveness to the rule changes that have occurred resulting in this reclamation surety requirement. If you have questions about this letter, please call Paul Baker at 801-538-5261.

Sincerely,

Daron R. Haddock Permit Supervisor

Minerals Regulatory Program

Q. Haddock

SMW:PBB:pb

: Beth Ericksen, DOGM

Ted McDougall, Monticello BLM

P:\GROUPS\MINERALS\WP\M037-SanJuan\S0370063-Dusty\final\bond-09112006.doc